LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6314 NOTE PREPARED: Dec 2, 2011

BILL NUMBER: HB 1025 BILL AMENDED:

SUBJECT: Resident Tuition.

FIRST AUTHOR: Rep. Kubacki BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that Indiana veterans are eligible for the resident tuition rate for undergraduate courses upon enrolling at a state educational institution not later than 12 months after their separation from the United States armed forces.

It provides that Indiana veterans who enroll later than 12 months after the separation date are subject to the tuition policies determined by the state educational institution. The bill also provides that Indiana veterans who enroll in graduate programs are subject to the tuition policies determined by the state educational institution.

Effective Date: July 1, 2012.

Explanation of State Expenditures: The number of students who might qualify for in-state tuition is unknown. The current higher education appropriation uses enrollment change, dual credit course enrollment, early college enrollment, number of degrees conferred, number of degrees conferred in four years, number of degrees awarded to low-income families, and the change in research funding to set the appropriation for each state educational institution. The bill could increase the state's enrollment adjustment grant portion of state educational institutions' appropriations depending on the higher education formula used in creating the higher education appropriations. The change would probably not increase the state funding for higher education, but could cause minor shifts between institutions depending on the formula components and weighting.

<u>Background:</u> The current enrollment change grant is based on a four-year rolling average of Indiana students

HB 1025+ 1

attending the state educational institution. For FY 2012, the estimated average number of Indiana students attending the college for the 2009-2012 school years is compared the average for the 2007-2010 school years. The difference in the number of students is funded at about \$1,026.

Explanation of State Revenues: The difference between in-state and out-of-state tuition is between \$9,000 and \$10,000 per year. The reduction in tuition revenue could partially be offset by the increase in the enrollment growth grant to the higher education institutions.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State educational institutions.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.

HB 1025+ 2